



United States Department of the Interior

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BUREAU OF LAND MANAGEMENT

Cedar City Field Office
176 East DL Sargent Drive
Cedar City, Utah 84720

RECEIVED

OCT 23 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:
UT-040
3809: UTU-80277

October 21, 2002

Mr. Sandy Nell
13171 S 3300 W
Riverton, Utah 84065

Dear Mr. Nell:

This letter acknowledges a notice of intent submitted by yourself under the 43 CFR 3809 regulations and received in this office on October 4, 2002. The notice proposes bulk sampling of kaolinite, to be test marketed as alumina feed for cement production, from an pre-existing unreclaimed mine site located on BLM managed land. Your notice proposes the removal of a 200-300 ton sample of the clay from a disturbed pit area of about 1 acre. The clay will be recovered by surface scraping and ripping existing pit areas with a bulldozer. The clay will be transported from the site by truck using existing County road access. The proposed working area is located at the west end of the Blawn Mountain area, about three miles north of the Jockey Road at the Sawmill Gulch turnoff. The bulk sample will be recovered from one or more unpatented mining claims occupying portions of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of section 26, T. 29 S., R. 16 W., Beaver County. I appreciate you taking the time to meet on site on October 18th with myself and Tom Munson of the Division of Oil, Gas, and Mining (DOGM). The visit was very helpful for me in gaining a better understanding the work proposed for the project.

The notice has been reviewed for compliance with regulations found at 43 CFR 3809 and possible conflicts with cultural resources, threatened or endangered (T & E) plants and animals, and land status. No conflicts were identified. The notice has been serialized as file number UTU-80277, the Mickey Project. Please use this number in all future correspondence with this office.

The new surface management regulations, made final effective December 30, 2001, require that a financial guarantee be posted to cover the estimated third-party reclamation of all disturbances in excess of casual-use. I have recommended to the BLM Utah State Office that the financial guarantee required to conduct the work under this notice should be \$3,000.00. The BLM State Office should have contacted you regarding this requirement. ***Until an acceptable financial guarantee in this amount is provided, you are not authorized to conduct surface disturbing activities proposed under this notice.***

It is my understanding that you have already been granted a small mine permit through DOGM to permit you for exploration and mining activity at this site up to five acres of total project disturbance. Please be advised that approval from this office is currently limited to exploration-level activity and the bulk sampling of the deposit. The bulk sample is not to exceed a total of 1,000 tons. All project disturbances under this notice must be limited to utilizing existing roads and trails and existing mine site disturbed areas. No undisturbed areas are approved for disturbance under this notice. Should the bulk sampling effort indicate that commercial operation of the site will be profitable, it will be necessary for you to submit a plan of operations to this office, for separate review and approval, before commercial scale mining can proceed at the site.

Surface management regulations (43 CFR 3809) require the reclamation of all disturbed public land and that reasonable measures be taken to prevent unnecessary or undue degradation of the land. The operating practices and reclamation standards enclosed apply to the disturbances to be made under this notice.

If you have any questions, feel free to call me at (435) 865-3040.

Sincerely,



Ed Ginouves
Mining Engineer

xc: Tom Munson, DOGM
Enclosure: CCFO Standard Operating Practices and Reclamation Standards

RECLAMATION STANDARDS
for
Exploration/Mining Activities, BLM Cedar City Field Office

1. At the earliest feasible time, the operator will reclaim the area disturbed, except to the extent necessary to preserve evidence of mineralization. Reclamation will include reasonable measures to prevent or control onsite and offsite damage of public lands.
2. Reclamation will include but not be limited to:
 - a. Saving topsoil (top 3 to 6 inches) for final application after reshaping of disturbed areas.
 - b. Controlling erosion, landslides, and water runoff.
 - c. Isolating, removing, or controlling toxic materials.
 - d. Reshaping disturbed areas, applying topsoil, and revegetating where reasonably practicable.
 - e. Controlling noxious weeds invading the site.
 - f. Rehabilitating fisheries and wildlife habitat.
3. Access roads, unless otherwise approved by the authorized officer, will be closed by reshaping the disturbed area to near original contours, scarifying where compaction prevents seed covering, and revegetating with the mixture specified below. Water bars will be placed on steep inclines and access blocked to future vehicular traffic.
4. Unless otherwise approved in the acceptance of the notice, all high walls or material piles will be recontoured to slopes not steeper than 3:1 and revegetated using the recommended mixture.
5. Authorized pits with high walls in excess of 4 feet will be fenced or barricaded to protect unsuspecting public land users from injury. All shafts and adits will be covered or blocked to prevent unauthorized or accidental entry.
6. Seeding of disturbed areas will be done between September 30 and December 15. Seed should not be placed on top of deep snow. Seed beds will be prepared to a depth of 6 inches by ripping, discing, or harrowing. Seed will be planted with a rangeland or farm drill or broadcast seeded. If broadcast seeded, the seed will be harrowed or raked $\frac{1}{4}$ to $\frac{1}{2}$ inch into the soil. The seed amount described below will be doubled if the area is broadcast seeded. The recommended seed mixture to be used on all disturbed areas if applied by a drill includes:

Blue-bunch wheatgrass	2 lb / acre
Indian ricegrass (var. Nezpar)	1 lb / acre
Smooth brome grass	1 lb / acre
Pubescent wheatgrass	1 lb / acre
Small Burnet	1 lb / acre
Fourwing saltbush	$\frac{1}{2}$ lb / acre
Bitterbrush	$\frac{1}{2}$ lb / acre
Lewis Flax	$\frac{1}{2}$ lb / acre
Palmer Penstemon	$\frac{1}{2}$ lb / acre
7. All hazardous tailing dumps, materials or substances produced by the operation will be disposed of in accordance with applicable federal and state laws. All waste, debris, buildings, and materials will be removed from the site and deposited at appropriate waste facilities.
8. All dry drill holes will be plugged with uncontaminated native material to a depth of 5 feet. The top 5 feet will be plugged with cement. Drill holes which encounter water will also be cemented from at least 50 feet below to 50 feet above the saturated zone. The location, depth, and relative flow rate of any subsurface water encountered will be reported to the authorized officer.
9. Additional reclamation requirements may be needed on a case-by-case basis. These additional requirements will be issued by the authorized officer after consultation with the operator.
10. The authorized officer will be notified within 10 days of final reclamation.

STANDARD OPERATING PROCEDURES
for
Exploration/Mining Activities, BLM Cedar City Field Office

1. Existing road access will be used whenever possible. Access will be planned for the minimum width needed for operations and will not exceed 16 feet in width. Roads will follow natural contours where practicable to minimize the need for cut and fill. The cuts from construction or improvement of access will be less than 3 feet on the inside edge. The authorized officer will be notified of any exceptions before construction begins.
2. Disturbance of existing vegetation will be held to the minimum necessary for the operation. Large vegetation such as pinion and juniper trees will be avoided whenever possible.
3. If cultural resources are encountered, including all historic or prehistoric artifacts or structures, the operator will immediately suspend operations and report the findings to the BLM field office. It is the responsibility of the operator to ensure there is no removal or destruction of historic and prehistoric remains on public lands.
4. If an endangered species is encountered, the operator will avoid the species and immediately inform the BLM field office. Wild horses, wildlife and livestock will not be harassed.
5. All sites will be kept in a safe, clean, and environmentally stable condition. Any hazardous materials used in the operation must be pre-approved by BLM personnel and kept in approved safe containers. The BLM field office will be immediately notified of any spills or accidents involving hazardous materials.
6. Water from stock-water reservoirs, springs, and wells will not be used for operations unless prior approval has been granted by the individual or agency responsible for the water rights of the source.
7. All official survey monuments, witness corners, reference monuments, bearing trees, etc., will be protected against destruction, obliteration or damage. Current mining claim markers will also be protected. When mining or exploration activities are concluded, the operator will remove all operation survey markers, stakes, flagging, etc., which are not needed for ongoing activities.
8. Wet roads should be avoided when ruts of two inches or deeper will result from road use. The operator will be responsible for reconditioning public roads used under these conditions.